REMARKS

Claims 1-8 are pending. By this Amendment, independent claims 1, 7 and 8 are amended. No narrowing amendment is intended as the amendment expressly recites the definition of "selectable zone" which is defined in the specification, for example, at page 6, lines 24-26. No new matter has been added.

Telephonic Interview

The applicants' attorney thanks the Examiner for the courtesy extended during the telephonic interview of this case on August 29, 2005. The arguments made during the interview are fully reflected in this response. While no agreement was reached during the interview, the applicant has amended the independent claims to expressly recite the intended definition of "selectable zone" as defined in the specification so as to avoid the problems of any overly broad and unintended interpretation of the claim language of these claims.

Section 102 Rejection

Claim 1-4, 7 and 8 stand rejected as being anticipated by Swix et al. This rejection is respectfully traversed.

A *prima facie* case of anticipation requires the reference to teach each and every one of the claimed elements and limitations. The Swix et al. reference utterly fails to disclose the claimed elements and limitations of each of the independent claims of the present invention.

Contrary to the assertion in the Office Action, Col. 6, lines 8-25 of Swix do not teach "a video advertisement segment having a plurality of selectable zones". Independent claims 1, 7 and 8 have been amended to make express in each claim the definition of selectable zone as defined in the specification, for example, at page 6, lines 24-26 and as shown, for example, by each of the smaller rectangle frames within the sample advertisement video frames depicted in

Figures 1-4. Proper claim construction will import a definition specifically defined by the applicant in a specification that will control interpretation of that term as used in the claims. Toro Co. v. White Consolidated Industries, Inc., 199 F.3d 1295, 1301, 52 USPQ2d 1065, 1069 (Fed. Cir. 1999). See also, MPEP §2111.01.

There is nothing about the delivery of a video stream advertisement by Swix et al. that discloses a *plurality* of selectable zones. The advertisements that are strung together by Swix et al. as part of a playlist to be delivered with a movie ordered by a subscriber are nothing more than conventional, non-interactive advertisements. While Swix et al. may permit a subscriber to request to view an advertisement (Col. 7, lines 2-5), the advertisement that will be viewed is a conventional, non-interactive advertisement - not an advertisement in which there are a plurality of selectable zones as defined and claimed by the present invention.

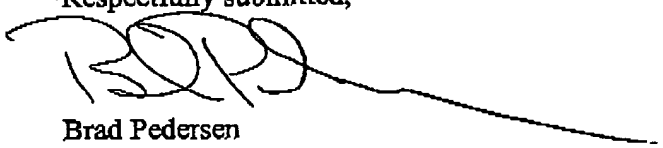
The citations in the Office Action to Col. 11, lines 59 to Col. 12, line 19, Col. 7, lines 43-51 and Fig. 4 in Swix et al. make it abundantly clear that Swix is putting together a play list selected by the broadcaster that will be comprised of a *plurality of advertisements*, not an advertisement having *a plurality of selectable zones* that are selectable by the viewer or subscriber.

It is respectfully submitted that the claimed invention, as properly construed, is not anticipated by Swix et al.

In view of the foregoing, it is submitted that this application is in condition for allowance. Favorable consideration and prompt allowance of the application are respectfully requested.

The Examiner is invited to telephone the undersigned if the Examiner believes it would be useful to advance prosecution.

Respectfully submitted,



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